



Joint Committee On Postsecondary Education Policy and Budget

59TH Montana Legislature

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MICHAEL FOSTER
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WORK GROUP ON MUS BUDGET INITIATIVES

CONFERENCE CALL – MARCH 20, 2006

MEETING NOTES

Present for Call:

Rep. Elsie Arntzen, Rep. Robin Hamilton, Sen. Bob Hawks, Sen. Robert Story, Regent Mike Foster, Regent Mark Semmens, LFD Staff Alan Peura

Meeting Summary:

The work group moved four of the five university system budget initiatives to PEPB with the recommendation that these four initiatives be sent to the executive budget office with PEPB support. The fifth initiative was moved forward, but without a recommendation at this time, pending more data and information requested from the Office of the Commissioner of Higher Education (OCHE), to be presented at the June PEPB meeting.

The work group charged staff with drafting proposed Decision Package language, including accountability measures, for the four recommended budget initiatives.

These four decisions packages will be distributed to work group members (with copy to PEPB Chair Galvin-Halcro and OCHE staff) for review and discussion via email.

If the work group feels that another meeting is necessary, a second conference call will be arranged, otherwise, the working group, through the lead of Senator Hawks, will present a full report on these recommendations to the June 12 PEPB meeting.

Meeting Notes:

Improve Transferability and Student Data (\$1.9 million)

Regent Foster gave a brief review of the history of the university system efforts to address transferability problems, which came to a head in the legislative audit report dated December 2004. He concluded that the Regents and staff have been working to identify all the necessary solutions and put together a plan, and that this initiative represents the ultimate implementation of this plan and solutions.

During the course of the discussion, the following questions came up and it is requested that the Commissioner of Higher Education would provide information to address these:

- What are the technical (hardware & software) needs contemplated in this initiative and is it certain that the \$750,000 one-time-only funding will meet these needs?
- What is the extent of the contacts between the IT departments with state government and the university system, in order to ensure “inter-operability”?
- Does this initiative intend to provide maximum coordination with the OPI database project being created for the public school K-12 system, and is it clear that there is no duplication of efforts between these two related projects?
- How will this initiative further the goal of creating a “seamless P-20” education system?
- How does this initiative intend to overcome the faculty related obstacles to an efficient transferability system?

After an extended discussion, the work group moved approval of this initiative, and requested that staff draft a proposed decision package including proposed accountability measures from the Shared Policy Goals document and reflecting issues raised in the conference call discussion.

Expand Indian Education for All (\$500,000)

Discussion about this initiative focused on questions about how this is unique and therefore separate from the Indian Education for All efforts that are taking place in OPI as part of the constitutional requirements related to education. Specific questions included:

- How does this initiative maximize existing resources on campuses, such as the American Indian Center at MSU and others?
- What are the specific outcomes here that will add value to the university system?

After a discussion about this initiative, the work group moved this initiative forward but without approval or recommendation. Rather, the work group will request that OCHE staff provide more background and analysis for this initiative to be considered by PEPB without a work group recommendation.

Improve Affordability (\$2.5 million)

Regent Semmens opened the discussion about this initiative by stating that this is very critical to the Board of Regents as a number of indicators rank Montana very low on affordability for students. He also noted that the 2-year program tuition buy-down component had been moved from this initiative and would be presented in some manner in the present law budget.

Discussion focused on the number of student assistance programs that exist within the university system (e.g. Baker, MHEG, Governor’s Scholarships, Pell, etc.) and a concern that this initiative, known as MPACT, would add yet another layer of complexity to this system. Therefore, the group requested additional analysis from OCHE staff, specifically:

- Clarification about how this initiative would work to create a coordinated, seamless system among all the student assistance programs in order to ensure that there is no duplication of efforts.

- As part of that analysis, list all of the student assistance programs and clarify which students qualify for each (e.g. traditional vs. non-traditional), how each is funded, clarify the award criteria, and provide some information about the average award size.
- Also include in this analysis, the role that tuition waivers play in the student assistance program and whether MPACT pulls these into a coordinated system.

It was also noted that, going forward, the legislature and/or PEPB may want to consider a more comprehensive study of tuition waivers to determine if they are accomplishing their policy objectives and to understand the funding scheme.

After an extended discussion, the work group moved approval of this initiative, and requested that staff draft a proposed decision package, including proposed accountability measures from the Shared Policy Goals document and reflecting issues raised in the conference call discussion.

Coordinate and Expand Distance Learning (\$600,000)

This discussion started with a review that in the current 2007 biennium, distance learning was funded at \$300,000 with a one-time-only appropriation. That \$300,000 was half the total that was requested by the university system in their original budget submission.

The discussion from that point focused on an interest in learning what has been accomplished in the current biennium with that \$300,000 appropriation, and how this initiative will specifically build from this point.

The work group requested an update on accomplishments and successes on this from OCHE staff, and Alan stated that this is part of shared leadership and PEPB is due for a final report on all shared leadership projects at the August meeting.

After an extended discussion, the work group moved approval of this initiative, and requested that staff draft a proposed decision package including proposed accountability measures from the Shared Policy Goals document and reflecting issues raised in the conference call discussion.

Healthcare Worker Education (\$4.0 million)

Regent Foster opened this discussion with an update on the evolution of this initiative, which was a recommendation from the Board of Regents Committee on Workforce Development. The original proposal had recommended “up to 20 additional WWAMI slots” but the Board reduced this to 10 slots.

There was discussion about the proposal to expand the physician residency programs, which are primarily a private sector initiative as well as the component that recommends phasing out the rural physician tax credit and shifting that to an expanded rural physician incentive program. The work group requested that staff provide a legal analysis of all statutory changes that may need to be considered in order to make the changes to these programs.

The work group also requested that the Workforce Development Report, authored by OCHE staff Dave Gibson (March 2, 2006) be distributed to all PEPB members to provide additional background on this initiative.

After an extended discussion, the work group moved approval of this initiative, and requested that staff draft a proposed decision package including proposed accountability measures from the Shared Policy Goals document and reflecting issues raised in the conference call discussion.

Following consideration of all initiatives, the work group clarified the charge to staff and it was discussed that an email report of the meeting notes would be distributed by Wednesday, with draft decision package language to follow. The work group would try to complete their work with an email discussion from these reports, but would consider if another conference call would be required. Senator Hawks will be presenting a report for the work group at the June PEPB meeting.

Respectfully submitted:
Alan G. Peura
Legislative Fiscal Analyst

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